

HOUSE JOINT RESOLUTION 858

By Head

A RESOLUTION requesting the Comptroller of the Treasury to conduct a study relative to the procurement, utilization and production of asphalt by Tennessee counties.

WHEREAS, the need for governments to use scarce public resources efficiently and effectively has never been greater and competitive bidding is a critical tool in public procurement activities; and

WHEREAS, in a recent survey of its membership, the Tennessee County Highway Officials Association revealed that despite advertising for competitive bids for asphalt products and materials, many counties receive only one (1) response; and

WHEREAS, the survey also revealed wide disparities in the counties' cost of buying asphalt from county to county and region to region across the state; and

WHEREAS, prior to considering potential legislative remedies to these issues the General Assembly should fully understand circumstances that contribute to variations in the level of participation in competitive bids for asphalt, the economics of asphalt production and transportation, the pros and cons of allowing counties to establish their own asphalt production capacity, and the possible impact on state and local tax collections that could result from such production; now, therefore,

BE IT RESOLVED BY THE HOUSE OF REPRESENTATIVES OF THE ONE HUNDRED THIRD GENERAL ASSEMBLY OF THE STATE OF TENNESSEE, THE SENATE CONCURRING, that the Comptroller of the Treasury is requested to conduct a study of the process by which counties procure asphalt, the effectiveness of current procurement methods, the economics of asphalt production including issues of production cost, transportation costs, and economies of scale in asphalt production, reasons for variations in asphalt costs from place to place, the implications of allowing counties to singly and/or jointly develop asphalt production

capabilities and any other related matters that may come to the attention of the Comptroller during the course of the study, including recommendations for legislative action, if any.

BE IT FURTHER RESOLVED, that the General Assembly requests that all state transportation officials, all local government officials and employees, and all contractors selling asphalt to governments in Tennessee cooperate to the fullest extent with the Comptroller in this study, and to that end the Comptroller is requested to include within the results and findings of the study the degree to which such cooperation was forthcoming. It is the legislative intent that such study be concluded and its results and findings published no later than February 1, 2005.

BE IT FURTHER RESOLVED, that an enrolled copy of this resolution be transmitted to the Comptroller of the Treasury.